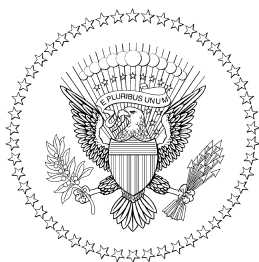


Weekly Compilation of  
**Presidential  
Documents**



Monday, December 31, 2007  
Volume 43—Number 52  
Pages 1637–1643

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**Editor's Note:** The President was at the Bush Ranch in Crawford, TX, on December 28, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

## WEEKLY COMPILATION OF

## PRESIDENTIAL DOCUMENTS

Published every Monday by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, the *Weekly Compilation of Presidential Documents* contains statements, messages, and other Presidential materials released by the White House during the preceding week.

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Week Ending Friday, December 28, 2007

### **The President's Radio Address**

*December 22, 2007*

Good morning. Christmas is just a few days away. As Americans gather around the tree with family and friends, we remember the soldiers, sailors, airmen, marines, and Coast Guard men and women who will be spending this holiday far away from their homes and loved ones.

America is blessed to have men and women willing to step forward to defend our freedoms and keep us safe from our enemies. We are thankful for their courage and their dedication to duty. We pray for their safety, and we wish them a Merry Christmas, wherever they serve.

America is also blessed to have military families willing to sacrifice for our country. The husbands and wives, mothers and fathers, sons and daughters of those in the military serve our country as well. For many of them, service means packing up their belongings and moving on short notice, or living in a different country for a time, or missing a family member as he or she serves overseas. And this Christmas, many will sit down for dinner thinking of their loved ones half a world away. These families deserve the thanks and the prayers of our whole Nation.

Some military families are helping loved ones recover from injuries sustained in combat. These families are a special source of hope and strength for our wounded warriors. Through their encouragement and devotion, they help heal the body and the spirit, and they remind our wounded warriors that our Nation stands behind them.

Other military families have felt the pain of losing a loved one in battle. This Christmas, we hold them in our hearts. We lift them up in our prayers. And we are inspired by the example that many of these families have set by turning their grief into extraordinary acts of compassion and love.

One such inspiring example is the family of Army Specialist Michael Rodriguez of Knoxville, Tennessee. During his deployment in Iraq, Michael often wrote home to his family about the children he met on patrol. In April, Michael was killed by a suicide bomber. Now his family is honoring his memory by helping to collect school supplies for students at an Iraqi school for girls.

We are also grateful for Kirsten Yuhl-Torres of San Diego, California. In 2006, Kirsten lost her son, Sergeant Joseph Perry, in Iraq. To honor Joseph's memory, she started sending care packages and writing letters of support to other soldiers serving there. Kirsten says, "Joe was our only son, but now we have hundreds."

Our Nation is also inspired by Bob Lehmiller, whose son, Sergeant Mike Lehmiller, was killed in 2005 while serving in Afghanistan. To honor his son, Bob created Mike's Guardian Eagle Foundation. The foundation gives financial assistance to military families who need extra help when their loved ones deploy or if they're wounded or killed on the field of battle.

All these families have already given so much to America, and yet they have found a way to give even more. We thank each of them. And we thank every one of our citizens who supports our troops with letters and donations or prayers.

At this time of year, we acknowledge that love and sacrifice can transform our world. The miracle of Christmas reminds us that God's grace is revealed in the humblest places. Two thousand years ago, the fullness of that grace was found in a tiny manger, and the life born that day changed our world forever. As Christmas approaches, Laura and I extend to all Americans our best wishes, and we hope every family is brought closer together during this season of reflection and rejoicing.

Thank you for listening, and Merry Christmas.

NOTE: The address was recorded at 7:30 a.m. on December 21 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on December 22. The transcript was made available by the Office of the Press Secretary on December 21 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

### **Statement on Signing the Consolidated Appropriations Act, 2008**

*December 26, 2007*

Today, I signed into law H.R. 2764, legislation that will fund the Federal Government within the reasonable and responsible spending levels I proposed—without raising taxes and without the most objectionable policy changes considered by the Congress. This law provides a down payment for the resources our troops need, without arbitrary timelines for withdrawal. The Congress should quickly take action next year to provide the remainder of the funding needed by our troops.

I am disappointed in the way the Congress compiled this legislation, including abandoning the goal I set early this year to reduce the number and cost of earmarks by half. Instead, the Congress dropped into the bill nearly 9,800 earmarks that total more than \$10 billion. These projects are not funded through a merit-based process and provide a vehicle for wasteful Government spending.

There is still more to be done to rein in Government spending. In February I will submit my budget proposal for fiscal year 2009, which will once again restrain spending, keep taxes low, and continue us on a path towards a balanced budget. I look forward to working with the Congress in the coming year to ensure taxpayer dollars are spent wisely.

Finally, this legislation contains certain provisions similar to those found in prior appropriations bills passed by the Congress that might be construed to be inconsistent with my Constitutional responsibilities. To avoid such potential infirmities, the executive branch will interpret and construe such pro-

visions in the same manner as I have previously stated in regard to similar provisions.

**George W. Bush**

The White House,  
December 26, 2007.

### **Remarks on the Death of Former Prime Minister Benazir Bhutto of Pakistan in Crawford, Texas**

*December 27, 2007*

Laura and I extend our deepest condolences to the family of Benazir Bhutto, to her friends, and to her supporters. We send our condolences to the families of the others who were killed in today's violence. And we send our condolences to all the people of Pakistan on this tragic occasion.

The United States strongly condemns this cowardly act by murderous extremists who are trying to undermine Pakistan's democracy. Those who committed this crime must be brought to justice. Mrs. Bhutto served her nation twice as Prime Minister, and she knew that her return to Pakistan earlier this year put her life at risk. Yet she refused to allow assassins to dictate the course of her country.

We stand with the people of Pakistan in their struggle against the forces of terror and extremism. We urge them to honor Benazir Bhutto's memory by continuing with the democratic process for which she so bravely gave her life.

NOTE: The President spoke at 9:55 a.m. at the Bush Ranch.

### **Proclamation—To Adjust the Rules of Origin Under the United States-Chile Free Trade Agreement and the United States-Singapore Free Trade Agreement**

*December 27, 2007*

*By the President of the United States of America*

#### **A Proclamation**

1. Section 1206(a) of the Omnibus Trade and Competitiveness Act of 1988 (the "1988 Act") (19 U.S.C. 3006(a)) authorizes the

President to proclaim modifications to the Harmonized Tariff Schedule of the United States (HTS) based on the recommendations of the U.S. International Trade Commission (the “Commission”) under section 1205 of the 1988 Act (19 U.S.C. 3005), if he determines that the modifications are in conformity with United States obligations under the International Convention on the Harmonized Commodity Description and Coding System (the “Convention”) and do not run counter to the national economic interest of the United States. In 2006, the Commission recommended modifications to the HTS pursuant to section 1205 of the 1988 Act to conform the HTS to amendments made to the Convention. In Presidential Proclamation 8097 of December 29, 2006, I modified the HTS pursuant to section 1206 of the 1988 Act to conform the HTS to the amendments to the Convention.

2. Presidential Proclamation 7746 of December 30, 2003, implemented the United States-Chile Free Trade Agreement (USCFTA) with respect to the United States and, pursuant to section 201 of the United States-Chile Free Trade Agreement Implementation Act (the “USCFTA Act”) (19 U.S.C. 3805 note), the staged reductions in rates of duty that I determined to be necessary or appropriate to carry out or apply articles 3.3 (including the schedule of United States duty reductions with respect to originating goods set forth in Annex 3.3 to the USCFTA), 3.7, 3.9, and 3.20(8), (9), (10), and (11) of the USCFTA.

3. In order to ensure the continuation of the staged reductions in rates of duty for originating goods from Chile in categories that were modified to conform to the Convention, I proclaimed in Presidential Proclamation 8097 modifications to the HTS that I determined were necessary or appropriate to carry out the duty reductions proclaimed in Proclamation 7746.

4. Chile is a party to the Convention. Because the substance of changes to the Convention are reflected in slightly differing form in the national tariff schedules of the parties to the USCFTA, the rules of origin set out in Annex 4.1 of that Agreement must be changed to ensure that the tariff and certain other treatment accorded under the

USCFTA to originating goods will continue to be provided under the tariff categories that were modified in Proclamation 8097. The USCFTA parties have agreed to make these changes.

5. Section 202 of the USCFTA provides certain rules for determining whether a good is an originating good for the purposes of implementing tariff treatment under the USCFTA. Section 202(o) of the USCFTA Act authorizes the President to proclaim the rules of origin set out in the USCFTA and any subordinate tariff categories necessary to carry out the USCFTA, subject to the exceptions stated in section 202(o)(2)(A).

6. I have determined that the modifications to the HTS proclaimed pursuant to section 202 of the USCFTA Act and section 1206(a) of the 1988 Act are necessary or appropriate to ensure the continuation of tariff and certain other treatment accorded originating goods under tariff categories modified in Proclamation 8097 and to carry out the duty reductions proclaimed in Proclamation 7746.

7. Presidential Proclamation 7747 of December 30, 2003, implemented the United States-Singapore Free Trade Agreement (USSFTA) with respect to the United States and, pursuant to section 201 of the United States-Singapore Free Trade Agreement Implementation Act (the “USSFTA Act”) (19 U.S.C. 3805 note), the staged reductions in rates of duty that I determined necessary or appropriate to carry out or apply articles 2.2, 2.5, 2.6, and 2.12 of the USSFTA and the schedule of reductions with respect to the United States set forth in Annex 2B of the USSFTA.

8. In order to ensure the continuation of the staged reductions in rates of duty for originating goods from Singapore in categories that were modified to conform to the Convention, in Presidential Proclamation 8097, I proclaimed modifications to the HTS that I determined were necessary or appropriate to carry out the duty reductions proclaimed in Proclamation 7747.

9. Singapore is a party to the Convention. Because the substance of the changes to the Convention are reflected in slightly differing form in the national tariff schedules of the parties to the USSFTA, the provisions set out

in Annexes 3A and 3B of that Agreement must be changed to ensure that the tariff and certain other treatment accorded under the USSFTA to originating goods will continue to be provided under the tariff categories that were modified in Presidential Proclamation 8097. The USSFTA parties have agreed to make these changes.

10. Section 202 of the USSFTA Act provides certain rules for determining whether a good is an originating good for the purposes of implementing tariff treatment under the USSFTA. Section 202(o) of the USSFTA Act authorizes the President to proclaim the rules of origin set out in the USSFTA and any subordinate tariff categories necessary to carry out the USSFTA, subject to certain exceptions set out in section 202(o)(2)(A).

11. I have determined that the modifications to the HTS proclaimed pursuant to section 202 of the USSFTA Act are necessary or appropriate to ensure that the tariff and certain other treatment accorded originating goods under tariff categories modified in Proclamation 8097 and to carry out the duty reductions proclaimed in Proclamation 7747.

12. Section 604 of the Trade Act of 1974, as amended (the "Trade Act") (19 U.S.C. 2483), authorizes the President to embody in the HTS the substance of the provisions of that Act, and of other Acts, affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction. Section 1206(c) of the 1988 Act, as amended (19 U.S.C. 3006(c)), provides that any modifications proclaimed by the President under section 1206(a) of that Act may not take effect before the thirtieth day after the date on which the text of the proclamation is published in the *Federal Register*.

**Now, Therefore, I, George W. Bush,** President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to section 1206(a) of the 1988 Act, section 202 of the USSFTA Act, section 202 of the USCFTA Act, and section 604 of the Trade Act, do proclaim that:

(1) In order to reflect in the HTS the modifications to the rules of origin under the

USCFTA, general note 26 to the HTS is modified as provided in Annex I to this proclamation.

(2) In order to reflect in the HTS the modifications to the rules of origin under the USSFTA, general note 25 to the HTS is modified as provided in Annex II to this proclamation.

(3) Any provisions of previous proclamations and Executive Orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

(4) The modifications and technical rectifications to the HTS set forth in Annexes I and II to this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the later of (i) February 1, 2008, or (ii) the thirtieth day after the date of publication of this proclamation in the *Federal Register*.

**In Witness Whereof,** I have hereunto set my hand this twenty-seventh day of December, in the year of our Lord two thousand seven, and of the Independence of the United States of America the two hundred and thirty-second.

**George W. Bush**

NOTE: At the time of publication, this proclamation had not been received by the Office of the Federal Register for assignment of a proclamation number. An original was not available for verification of the content of this proclamation.

## **Memorandum on Provision of Aviation Insurance Coverage for Commercial Air Carrier Service in Domestic and International Operations**

*December 27, 2007*

*Memorandum for the Secretary of Transportation*

*Subject:* Provision of Aviation Insurance Coverage for Commercial Air Carrier Service in Domestic and International Operations

By the authority vested in me as President by the Constitution and laws of the United States including 49 U.S.C. 44302, *et seq.*, I hereby:

1. Determine that continuation of U.S.-flag commercial air service is necessary in the interest of air commerce, national security, and the foreign policy of the United States.

2. Approve provision by the Secretary of Transportation (Secretary) of insurance or reinsurance to U.S.-flag air carriers against loss or damage arising out of any risk from the operation of an aircraft in the manner and to the extent provided in chapter 443 of 49 U.S.C.:

(a) until August 31, 2008;

(b) after August 31, 2008, but no later than December 31, 2008, when the Secretary determines that such insurance or reinsurance cannot be obtained on reasonable terms and conditions from any company authorized to conduct an insurance business in a State of the United States; and

3. Delegate to the Secretary the authority, vested in me by 49 U.S.C. 44306(c), to extend this determination for additional periods beyond August 31, 2008, but no later than December 31, 2008, when the Secretary finds that the continued operation of aircraft to be insured or reinsured is necessary in the interest of air commerce or the national security, or to carry out the foreign policy of the United States Government.

You are directed to bring this determination immediately to the attention of all air carriers within the meaning of 49 U.S.C. 40102(2), and to arrange for its publication in the *Federal Register*.

**George W. Bush**

NOTE: An original was not available for verification of the content of this memorandum.

**Memorandum to the House of Representatives Returning Without Approval the “National Defense Authorization Act for Fiscal Year 2008”**

*December 28, 2007*

I am withholding my approval of H.R. 1585, the “National Defense Authorization Act for Fiscal Year 2008,” because it would imperil billions of dollars of Iraqi assets at a crucial juncture in that nation’s reconstruc-

tion efforts and because it would undermine the foreign policy and commercial interests of the United States.

The economic security and successful reconstruction of Iraq have been top priorities of the United States. Section 1083 of H.R. 1585 threatens those key objectives. Immediately upon enactment, section 1083 would risk the freezing of substantial Iraqi assets in the United States—including those of the Development Fund for Iraq (DFI), the Central Bank of Iraq (CBI), and commercial entities in the United States in which Iraq has an interest. Section 1083 also would expose Iraq to new liability of at least several billion dollars by undoing judgments favorable to Iraq, by foreclosing available defenses on which Iraq is relying in pending litigation, and by creating a new Federal cause of action backed by the prospect of punitive damages to support claims that may previously have been foreclosed. This new liability, in turn, will only increase the potential for immediate entanglement of Iraqi assets in the United States. The aggregate financial impact of these provisions on Iraq would be devastating.

While my Administration objected to an earlier version of this provision in previous communications about the bill, its full impact on Iraq and on our relationship with Iraq has become apparent only in recent days. Members of my Administration are working with Members of Congress to fix this flawed provision as soon as possible after the Congress returns.

Section 1083 would establish unprecedented legal burdens on the allocation of Iraq’s funds to where they are most needed. Since the fall of Saddam Hussein, I have issued Executive Orders to shield from entanglement in lawsuits the assets of the DFI and the CBI. I have taken these steps both to uphold international legal obligations of the United States and to remove obstacles to the orderly reconstruction of Iraq. Section 1083 potentially would place these crucial protections of Iraq’s core assets in immediate peril, by including a provision that might be misconstrued to supersede the protections I have put in place and to permit the judicial attachment of these funds. Iraq must not

have its crucial reconstruction funds on judicial hold while lawyers argue and courts decide such legal assertions.

Moreover, section 1083 would permit plaintiffs to obtain liens on certain Iraqi property simply by filing a notice of pending action. Liens under section 1083 would be automatic upon filing a notice of a pending claim in a judicial district where Iraq's property is located, and they would reach property up to the amount of the judgment plaintiffs choose to demand in their complaints. Such pre-judgment liens, entered before claims are tested and cases are heard, are extraordinary and have never previously been available in suits in U.S. courts against foreign sovereigns. If permitted to become law, even for a short time, section 1083's attachment and lien provisions would impose grave—indeed, intolerable—consequences on Iraq.

Section 1083 also includes provisions that would expose Iraq to increased liability in lawsuits. Contrary to international legal norms and for the first time in U.S. history, a foreign sovereign would be liable for punitive damages under section 1083. Section 1083 removes defenses common for defendants in the United States—including *res judicata*, collateral estoppel, and statutes of limitation—upon which the Iraqi government has relied. And section 1083 would attempt to revive a \$959 million judgment against the new democratic Government of Iraq based on the misdeeds of the Saddam Hussein regime.

Exposing Iraq to such significant financial burdens would weaken the close partnership between the United States and Iraq during this critical period in Iraq's history. If Iraq's assets are frozen, even temporarily, that could reduce confidence in the Iraqi dinar and undermine the success of Iraq's monetary policy. By potentially forcing a close U.S. ally to withdraw significant funds from the U.S. financial system, section 1083 would cast doubt on whether the United States remains a safe place to invest and to hold financial assets. Iraqi entities would be deterred from engaging in commercial partnerships with U.S. businesses for fear of entangling assets in lawsuits. Section 1083 would be viewed with alarm by the international com-

munity and would invite reciprocal action against United States assets abroad.

The adjournment of the Congress has prevented my return of H.R. 1585 within the meaning of Article I, section 7, clause 2 of the Constitution. Accordingly, my withholding of approval from the bill precludes its becoming law. *The Pocket Veto Case*, 279 U.S. 655 (1929). In addition to withholding my signature and thereby invoking my constitutional power to "pocket veto" bills during an adjournment of the Congress, I am also sending H.R. 1585 to the Clerk of the House of Representatives, along with this memorandum setting forth my objections, to avoid unnecessary litigation about the non-enactment of the bill that results from my withholding approval and to leave no doubt that the bill is being vetoed.

This legislation contains important authorities for the Department of Defense, including authority to provide certain additional pay and bonuses to servicemembers. Although I continue to have serious objections to other provisions of this bill, including section 1079 relating to intelligence matters, I urge the Congress to address the flaw in section 1083 as quickly as possible so I may sign into law the National Defense Authorization Act for Fiscal Year 2008, as modified. I also urge the Congress to ensure that any provisions affecting servicemember pay and bonuses, as well as provisions extending expiring authorities, are retroactive to January 1, 2008.

**George W. Bush**

The White House,  
December 28, 2007.

NOTE: An original was not available for verification of the content of this memorandum.

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### Digest of Other White House Announcements

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The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

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**December 22**

In the morning, at Camp David, MD, the President had an intelligence briefing.

**December 24**

In the morning, the President had an intelligence briefing.

During the day, the President had several Christmas holiday telephone conversations with members of the U.S. military.

**December 25**

In the morning, the President had an intelligence briefing.

**December 26**

In the morning, the President had an intelligence briefing. Later, he and Mrs. Bush traveled to the Bush Ranch in Crawford, TX, arriving in the afternoon.

**December 27**

In the morning, the President had an intelligence briefing.

In the afternoon, the President had a telephone conversation with President Pervez Musharraf of Pakistan to express his condolences for the assassination of former Prime Minister Benazir Bhutto.

The President declared a major disaster in Missouri and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe winter storms beginning on December 6 and continuing.

**December 28**

In the morning, the President had an intelligence briefing.

The White House announced that the President will welcome President Abdullah Gul of Turkey to the White House on January 8.

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**Nominations  
Submitted to the Senate**


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NOTE: No nominations were submitted to the Senate during the period covered by this issue.

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**Checklist  
of White House Press Releases**


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The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

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**Released December 26**

Transcript of a press gaggle by Deputy Press Secretary Scott M. Stanzel

Statement by the Deputy Press Secretary announcing that the President signed H.R. 366, H.R. 797, H.R. 1045, H.R. 2011, H.R. 2761, H.R. 3470, H.R. 3569, H.R. 3571, H.R. 3974, H.R. 3996, H.R. 4009, S. 1396, S. 1896, S. 1916, and S.J. Res. 13

**Released December 27**

Transcript of a press gaggle by Deputy Press Secretary Scott M. Stanzel

Statement by the Deputy Press Secretary on disaster assistance to Missouri

**Released December 28**

Transcript of a press briefing by senior administration officials on the "National Defense Authorization Act for Fiscal Year 2008"

Statement by the Deputy Press Secretary on the President's intention to veto H.R. 1585, the "National Defense Authorization Act for Fiscal Year 2008"

Statement by the Deputy Press Secretary: Visit by President Gul of Turkey to Washington

Fact sheet: National Defense Authorization Act Section 1083: A Danger to Iraq's Progress

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**Acts Approved  
by the President**


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NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.